



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-068]

Forged Steel Fittings from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) continues to determine that Both-Well (Taizhou) Steel Fittings Co., Ltd. (Both-Well), a producer and/or exporter of forged steel fittings from the People's Republic of China (China), received countervailable subsidies during the period of review (POR) January 1, 2019, through December 31, 2019.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Zachariah Hall or William Horn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6261 or (202) 482-4868, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* of this administrative review in the *Federal Register* on December 7, 2021,¹ and invited interested parties to comment. On March 24, 2022, we received a case brief from the Bonney Forge Corporation and the United Steelworkers (collectively, the petitioners). On March 28, 2022, we received a rebuttal brief from Both-Well.

¹ See *Forged Steel Fittings from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2019*, 86 FR 69224 (December 7, 2021) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.²

Scope of the Order³

The product covered by the *Order* is forged steel fittings from the People's Republic of China (China). For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

Verification

Commerce was unable to conduct on-site verification of the information relied upon for the final results of this review. However, we took additional steps in lieu of an on-site verification to verify certain information, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).⁴

Analysis of Comments Received

All issues raised in the parties' briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed is attached as the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

² See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2019 Countervailing Duty Administrative Review of Forged Steel Fittings from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ See *Forged Steel Fittings from the People's Republic of China: Countervailing Duty Order*, 83 FR 60396 (November 26, 2018) (*Order*).

⁴ See, e.g., Commerce's Letter, "Forged Steel Fittings from the People's Republic of China: Export Buyer's Credit Verification Questionnaire," dated February 24, 2022.

Changes Since the *Preliminary Results*

Based on our analysis of the case and rebuttal briefs and the evidence on the record, we made certain changes from the *Preliminary Results*. For a discussion of these changes, *see* the Issues and Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found to be countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ The Issues and Decision Memorandum contains a full description of the methodology underlying Commerce's conclusions, including any determination that relied upon the use of adverse facts available pursuant to sections 776(a) and (b) of the Act.

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(5), we calculated a final countervailable subsidy rate for the mandatory respondent, Both-Well. We find the countervailable subsidy rate for this producer/exporter under review to be as follows:

Producer/Exporter	Subsidy Rate (Percent)
Both-Well (Taizhou) Steel Fittings Co., Ltd.	13.48

Disclosure

We intend to disclose the calculations performed to interested parties in this proceeding under an Administrative Protective Order (APO) within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject

⁵ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

merchandise in accordance with the final results of this review, for the above-listed company at the applicable *ad valorem* assessment rate listed. We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*, in accordance with 19 CFR 356.8(a). If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Instructions

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown for Both-Well on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order (APO)

This notice also serves as a reminder to parties subject to APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: June 3, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Period of Review
- V. Subsidies Valuation Information
- VI. Use of Facts Otherwise Available
- VII. Analysis of Programs
- VIII. Discussion of Issues
 - Comment 1: Whether Commerce Should Adjust Its Calculations for The Provision of Steel Bar for Less Than Adequate Remuneration (LTAR)
 - Comment 2: Whether to Apply Adverse Facts Available (AFA) to the Usage of the Export Buyer's Credit (EBC) Program
- IX. Recommendation